

Capital Market Development Authority
MTCC Tower, 4th Floor
Boduthakurufaanu Magu
Male', Republic of Maldives



Reference No: (IUL)179-3.2/1/2011/20

Invitation for Expression of Interest by interested parties to setup Investment Houses to establish and operate Collective Investment Schemes in the Maldives

The Capital Market Development Authority (CMDA) would like to invite expression of interest from parties to setup Investment Houses to establish and operate Collective Investment Schemes in the Maldives. **The Authority is currently formulating the regulatory framework for licensing Investment Houses to establish and operate Collective Investment Schemes in the Maldives.**

I. Interested parties may submit expression interest for setting up an Investment House.

The general requirements are as follows:

- (1) Required to register a company in the Maldives – under the Companies Act or Foreign Investment Law
 - a. Directors/Secretaries should meet the Fit & Proper requirements set by the CMDA
 - b. A company should confine its activities as approved by the CMDA
- (2) Required to obtain a licence from CMDA to act as a “CIS licensed person”
 - a. Only CIS licensed persons are allowed to establish and operate CIS in the Maldives
 - b. Any licensed Investment House is allowed to undertake Fund Management provided that the Investment House holds a specific licence for this purpose
- (3) Required to register the proposed “scheme” (fund to be established in Maldives) with CMDA
 - a. Any licensed CIS should appoint a licensed Custodian
 - b. Any licensed CIS should appoint a licensed Fund Manager who should be independent from the Custodian

II. Important areas & requirements:

- a) Comply with prescribed laws and regulations and international best practices
- b) A Trust deed should be registered with CMDA where appropriate
- c) Report on segregation and protection of client assets
- d) The proposed applicant should meet the Fit & Proper criteria set by CMDA
- e) The proposed applicant should meet the minimum capital requirements (paid up capital, net capital and Liquidity Margin) set by CMDA

- f) The proposed applicant shall submit the scheme's constitutive document for CMDA approval
- g) The proposed applicant should seek approval for the scheme's Prospectus and Promotional Documents
- h) An investment company must hold General Meetings as required
- i) The manager must, for each annual accounting period and each half-yearly accounting period, prepare and lodge a report of the licensed scheme.

III. Queries related to the Announcement and Submission of EOI:

- a) All queries related to this announcement shall be submitted via email to mail@cnda.gov.mv
- b) Expression of Interests may be addressed to CMDA in the following manner;

Ms. Mariyam Visam
Director General

EOI: Investment Houses and Collective Investment Schemes in the Maldives
Capital Market Development Authority
4th Floor, MTCC Tower
Boduthakurufaanu Magu
Male', Republic of Maldives

IV. General Instructions

- a) Deadline for submitting Expression of Interest is **17 March 2011**
- b) Additional information or clarification of any of the instructions or information contained herein may be obtained from the Capital Market Development Authority as listed above
- c) Please refer to the Maldives Securities Act (2/2006) and Regulations from <http://www.cnda.gov.mv/laws-and-regulations/laws-and-regulations/>

8 March 2011